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NEWS ALERT

INTELLECTUAL PROPERTY



USPTO Announces Summary of Fee Changes Effective January 2, 2021

By Andy I. Corea, Elizabeth A. Galletta and Sergio E. Marin | January 5, 2021

The USPTO has recently announced a final rule regarding fee changes that will be effective on January 2, 2021. The USPTO enacted the final rule with aim to offset the cost of trademark-related operations, provide necessary resources, and accomplish trademark-related strategic goals. A summary from the USPTO website can be found <u>here</u>. These changes reflect an ongoing effort by the USPTO to increase revenues to keep pace with operational expenses and to encourage applicants, registrants, and litigants to limit the scope of their filings before the Trademark Trial and Appeal Board.

Trademark Trial and Appeal Board Fees

The increases in Trademark Trial and Appeal Board (TTAB) fees signal an encouragement for parties to narrow the scope of TTAB proceedings. Notable fee increases include:

- A Notice of Opposition filed against a published application has increased from \$400 to \$600 per class.
- A Petition to Cancel filed against an existing registration has also increased from \$400 to \$600 per class.
- The first 30-day extension of time to file an opposition still has no fee, but the second extension (60 days) has increased from \$100 to \$200 per application. The final 60-day extension (with consent of the applicant) increases from \$200 to \$400 per application.
- The initial 90-day extension (in lieu of the automatic 30-day extension combined with the second extension of 60 days) increases from \$100 to \$200 per application.
- The USPTO is introducing entirely new \$500 fees for requests for oral hearings as well as a new fee for appeal briefs in *ex parte* appeals, which will be \$200 per class.

Trademark Application Fees

The USPTO has increased fees for filing new applications:

- The application filing fee, using the <u>TEAS Plus option</u>, has increased from \$225 per class to \$250 per class (and the processing fee for failing to meet the TEAS Plus requirements has been reduced from \$125 per class to \$100 per class).
- The application filing fee, using TEAS Standard, has increased from \$275 to \$350 per class.

Trademark Registration Maintenance Fees

Trademark Registration maintenance fees are also increasing:

- The fee for submitting a Declaration of Continued Use under Section 8 or 71 (required to maintain or renew a trademark registration) is increasing from \$125 to \$225.
- Furthermore, the USPTO will assess a new \$250 fee per class for deleting goods or services or classes after such Section 8 or 71 Declaration has been filed.
- As a result, an applicant before registering should consider any future amendments to registration to avoid incurring the new \$250 fee.

Letter of Protest Fees

The USPTO has added a fee of \$50 per application to file a Letter of Protest against a pending application.

Practice Considerations

The new fees may impact how trademark owners approach filings at the USPTO. In particular:

- In the case of adversarial matters before the TTAB, the initiating party may be more selective in challenging only classes deemed most in conflict, rather than incur a significant fee increase when opposing all classes simultaneously.
 - The increase in TTAB fees give trademark owners an incentive to revise watch service strategies to learn about potentially conflicting applications earlier. By converting domestic watches to cover newly filed applications instead of newly published applications, the potential opposer receives notice of potential conflicts earlier. With the typical pendency to first examination in the USPTO currently set for three months, the potential opposer has several months (instead of 30 days) to investigate the infringement and contact the applicant before the application has undergone its first round of examination, or file a Letter of Protest, if the nature of the objection is suitable.
 - A new application watch also could reduce the number of oppositions filed simply to preserve the opposition deadline. With the \$200 per class increase in opposition fees, the parties have incentive to resolve conflicts prior to the opposition deadline.
- With respect to maintenance and renewal of trademark registrations, the new fees encourage trademark owners to delete goods that are no longer being used from the registration before filing maintenance documents. The USPTO audits roughly 10% of registrations to determine if the registered mark is still being used on all the goods listed in the registration. The new fees discourage a "wait and see" approach to Post-Registration Audits by penalizing registrants who delete goods after filing Declarations of Use.

Murtha Cullina's Intellectual Property Practice Group can navigate the tactical and strategic challenges imposed by the new USPTO fees. If you have any questions regarding the USPTO announcement, please contact:

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